Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

Message Text

SECRET

PAGE 01 VIENTI 00901 01 OF 02 071311Z

41
ACTION SS-25

INFO OCT-01 ISO-00 /026 W
---------- 067190
R 071040Z FEB 75
FM AMEMBASSY VIENTIANE
TO SECSTATE WASHDC 2450

S E C R E T SECTION 1 OF 2 VIENTIANE 0901

EXDIS

DEPT PASS CINCPAC AND SECDEF

E.O. 11652: GDS
TAGS: MOPS, MCAP, MASS, PGOV, LA
SUBJ: PROBLEMS CONFRONTING THE VIENTIANE SIDE

1. I MET WITH DEFMIN SISOUK NA CHAMPASSAK ON FEBRUARY 6 TO GO OVER SEVERAL URGENT PROBLEMS AND SUBSEQUENTLY DCM, DATT, AID DIRECTOR AND I MET WITH SISOUK, FINMIN NGON SANANIKONE AND VICE PRIME MINISTER LEUAM INSISIENNAY.

2. IN TALK WITH SISOUK, I PRESSED FOR CONTINUED ACTION ON DEMOBILIZATION AND DREW TO HIS ATTENTION THE FACT THAT THE GENERAL STAFF STRENGTH FIGURES FOR JANUARY DO NOT REPEAT NOT REPORT THE DEMOBILIZATION BY GENERAL VANG PAO IN MR II OF MORE THAN 1,300 SOLDIERS. I TOLD SISOUK THAT AN OMISSION OF THIS KIND CAST THE GRAVEST DOUBTS OVER THE HONESTY AND RELIABILITY OF SENIOR FAR OFFICERS. AT FIRST BLUSH ONE COULD ONLY ASSUME THAT THIS WAS A GROSS ATTEMPT TO MAINTAIN PADDED STRENGTHS FOR ONE MORE MONTH. I ALSO DREW SISOUK'S ATTENTION TO THE WIDELY HELD BELIEF THAT NOTWITH-STANDING THE VERY LARGE REDUCTIONS WHICH HAVE BEEN MADE, A SIGNIFICANT NUMBER OF GHOSTS REMAIN ON FAR ROLLS. SISOUK SEEMED GENUINELY SHOCKED AND SAID HE WOULD LOOK INTO THE JANUARY FIGURES AT ONCE.

3. I ASKED SISOUK WHETHER HE WAS INFORMED REGARD-
SECRET

SECRET

PAGE 02 VIENTI 00901 01 OF 02 071311Z

ING PATHET LAO PRESSURES IN THE SALA PHOU KHOUN AREA

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

AND HE REPLIED THAT HE HAD SEEN GENERAL VANG PAO
YESTERDAY AND WAS FULLY UP TO DATE.

4. I THEN RAISED THE QUESTION OF THE 50 MILLION KIP
"ADVANCE" WHICH THE PRIME MINISTER HAS ORDERED BE
GIVEN BY THE FINANCE MINISTRY TO THE PATHET LAO. I
NOTED THAT OVER THE COURSE OF A YEAR THIS WOULD AMOUNT
TO A VERY LARGE SUM OF MONEY WHICH THE GOVERNMENT
COULD NOT AFFORD. FURTHERMORE, IF AS WAS REPORTED
THE PATHET LAO INTENDED TO PAY THEIR SOLDIERS APPROXI-
MATELY 15,000 KIP PER MONTH, AS COMPARED TO SALARIES
OF 8 TO 9,000 KIP ON THE VIENTIANE SIDE, THERE WOULD
INDUBITABLY BE SERIOUS REPERCUSSIONS IN FAR, THE
POLICE AND CIVIL SERVICE. IF SUMS OF THIS MAGNITUDE
WERE NOT GIVEN TO THE PATHET LAO SOLDIERS AND THE
MONEY WERE RETAINED BY THE PL, THE FINANCE MINISTRY
WOULD IN EFFECT BE BANKROLLING OTHER PL ACTIVITIES.
SISOUK STATED HE SHARED MY CONCERN BUT THAT THE
PRIME MINISTER WAS ADAMANT AND THAT THERE WAS NO
ONE IN THE COUNTRY WHO COULD GET HIM TO REVERSE
THIS DECISION. WE AGREED THAT WE WOULD DISCUSS
THIS MATTER IN GREATER DETAIL WITH THE VIENTIANE
SIDE LEADERSHIP LATER IN THE DAY.

5. AT THE NEXT MEETING, WE REVIEWED WITH THE LAO
THE ATTEMPTS WHICH HAVE BEEN MADE IN RECENT WEEKS
BY THE PATHET LAO TO OBTAIN INFORMATION ON THE U.S.
MILITARY ASSISTANCE PROGRAM AND THE POSITION THE
U.S. MISSION HAS TAKEN WITH REGARD TO THESE REQUESTS.
WE WOULD RESPOND
IF BOTH SIDES AGREED ON WHAT INFO
WAS DESIRED. GENERAL ROUND BRIEFED THE LAO FOR
THEIR INFORMATION ON AN ILLUSTRATIVE $30 MILLION
PROGRAM. ALL PRESENT FELT THAT IT THE FIGURES ON
SUCH ITEMS AS OUR MILITARY POL PROGRAM WERE MADE
AVAILABLE TO THE PATHET LAO, THEY COULD BE EXPECTED
TO SEEK TO DIVERT THESE PETROLEUM PRODUCTS TO OTHER
"PEACEFUL" ACTIVITIES AND THAT THEIR DETERMINED PURSUIT
OF INFORMATION ON THE SUBJECT OF MAP INDICATED A DE-
SIRE ON THEIR PART TO LIMIT OF CONTROL THE SUPPLIES
SECRET

SECRET

BEING PROVIDED TO FAR. IT WAS AGREED BY ALL THAT
WE WOULD NOT MAKE AVAILABLE INFORMATION ON OUR MAP
TO THE PL, AND THAT VIENTIANE SIDE WOULD AGREE TO A
DISCUSSION OF THIS PROGRAM ONLY WHEN PL WERE PREPARED
TO DISCUSS AID TO THEIR FORCES.

6. I REVIEWED WITH THE WHOLE GROUP THE CONCERN I HAD
EARLIER EXPRESSED TO SISOUK WITH REGARD TO THE

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

PROSPECT OF A REGULAR SUBSIDY OF 50 MILLION KIP A MONTH TO THE PATHET LAO. SISOUK, NGON AND LEUAM RECOGNIZED THAT THIS ISSUE WAS SERIOUS AND AFTER PRO-LONGED DISCUSSION AGREED THAT NGON AND SISOUK WOULD PROCEED TO LUANG PRABANG ON FEBRUARY 10 TO DISCUSS IT WITH THE PRIME MINISTER. COMMENT: WE ARE INCLINED TO DOUBT THAT THIS TRIP WILL BE MADE AS EACH OF THEM HAS BEEN VERY SKITTISH ON MEETING SOUVANNA FACE-TO-FACE, AND ALL OF THEM CONSIDER HIM BEYOND THEIR ABILITY TO PERSUADE.

7. THE ISSUE OF THE 50 MILLION KIP WAS EXPANDED BY AID DIRECTOR MANN WHO EMPHASIZED THAT THE GOVERNMENT'S RECENT DECISION TO MAINTAIN THE EXISTING RETAIL PRICE STRUCTURE FOR POL PRODUCTS AND TO ABSORB THE OIL COMPANIES' WHOLESALE PRICE INCREASES BY REDUCING THE TAX ON GASOLINE WOULD BRING ABOUT A SIGNIFICANT LOSS IN GOVERNMENT REVE-NUES. WE STRESSED THAT THE GOVERNMENT SIMPLY COULD NOT AFFORD TO REDUCE REVENUES AND INCREASE EXPENSES IN THIS MANNER. THE LAO PRESENT WERE IMPRESSED BUT NOTED THAT THE DECISION TO MAINTAIN GASOLINE PRICES HAD ALREADY BEEN TAKEN BY THE CABINET AND WOULD BE HARD TO REVERSE. ALL PRESENT AGREED THAT WITH GASOLINE PRICES INCREASING ALL OVER THE WORLD, IT WAS UNREALISTIC FOR LAOS TO TRY TO HOLD AN ARBITRARY LINE AT VERY CONSIDERABLE COST TO GOVERNMENT REVENUE.

8. LEUAM, SISOUK AND NGON COLLECTIVELY AND INDI-VIDUALLY BEWAILED WHAT THEY BELIEVED TO BE THE INCREASING INFLUENCE OF PRINCE SOUPHANOUVONG OVER THE PRIME MINISTER AND STRESSED THE DIFFICULTIES

SECRET

THEY CONFRONT IN BRINGING THEIR VIEWS TO HIS ATTENTION. NGON AND SISOUK BOTH ACKNOWLEDGED THE HEAVY PRESSURE I HAVE PUT ON THEM IN RECENT MONTHS TO VISIT THE PRIME MINISTER IN LUANG PRABANG ON A REGULAR BASIS BUT EXPRESSED THE BELIEF THAT THEIR ABILITY TO INFLUENCE HIM WAS NEGLIGIBLE. AS STATED ABOVE, THEY DID AGREE HOWEVER TO MAKE AN ATTEMPT NEXT WEEK.

NOTE BY OC/T: NOT PASSED CINCPAC AND SECDEF.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

NNN

SECRET

PAGE 01 VIENTI 00901 02 OF 02 071318Z

45
ACTION SS-25

INFO OCT-01 ISO-00 /026 W
---------- 067366
R 071040Z FEB 75
FM AMEMBASSY VIENTIANE
TO SECSTATE WASHDC 2451

S E C R E T SECTION 2 OF 2 VIENTIANE 0901

EXDIS

DEPT PASS CINCPAC AND SECDEF

9. COMMENT: AS HAS BEEN REPORTED IN OTHER MESSAGES, WE BELIEVE THAT ALTHOUGH THE COORDINATION WITHIN THE VIENTIANE SIDE REMAINS MUCH AS IT HAS BEEN IN RECENT MONTHS, THERE IS GROWING CONCERN REGARDING LEUAM'S LACK OF LEADERSHIP, THE PRIME MINISTER'S READINESS TO AGREE TO PATHET LAO PROPOSALS WITHOUT CONSULTATION WITH THE VIENTIANE SIDE AND THE GENERAL DRIFT OF EVENTS IN FAVOR OF THE PL. ADDING TO THIS UNEASY ATMOSPHERE IS THE SENTIMENT PREVAILING IN VIENTIANE THAT PATHET LAO NIBBLING OPERATIONS ARE BECOMING MORE AGGRESSIVE WHILE, AT THE SAME TIME, THE PATHET LAO REMAIN STUBBORN AND UNCOOPERATIVE IN SEEKING SOLUTION OF PROBLEMS IN THE FORUM OF THE JOINT COMMISSION TO IMPLEMENT THE ACCORDS.
WHITEHOUSE

NOTE BY OC/T: NOT PASSED CINCPAC, SECDEF.

SECRET

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY ASSISTANCE, DIPLOMATIC DISCUSSIONS, DEMOBILIZATION
Control Number: n/a
Copy: SINGLE
Draft Date: 07 FEB 1975
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975VIENTI00901
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750045-0685
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750260/aaaaccbv.tel
Line Count: 209
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 18 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 JUL 2003 by CunninFX>; APPROVED <22 JUL 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PROBLEMS CONFRONTING THE VIENTIANE SIDE
TAGS: MOPS, MCAP, MASS, PGOV, LA, (SISOUK NA CHAMPASSAK), (NGON SANANIKONE), (LEUAM INSISIENNAY)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006